



U.S. Department of the Interior
Bureau of Land Management

Bureau of Land Management Federal Coal Leasing Program Programmatic Environmental Impact Statement Scoping Meeting

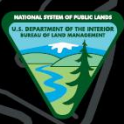




Federal Coal Regulating Agencies

- **Bureau of Land Management (BLM)**
 - Leasing
 - Production verification
- **Office of Surface Mining, Reclamation & Enforcement**
 - Mine permitting & reclamation (including bonding for reclamation)
- **Office of Natural Resources Revenue**
 - Manages royalty collection and disbursement
- **Mine Safety & Health Administration**
 - Develops and enforces safety and health rules for U.S. mines





BLM Coal Program Quick Statistics

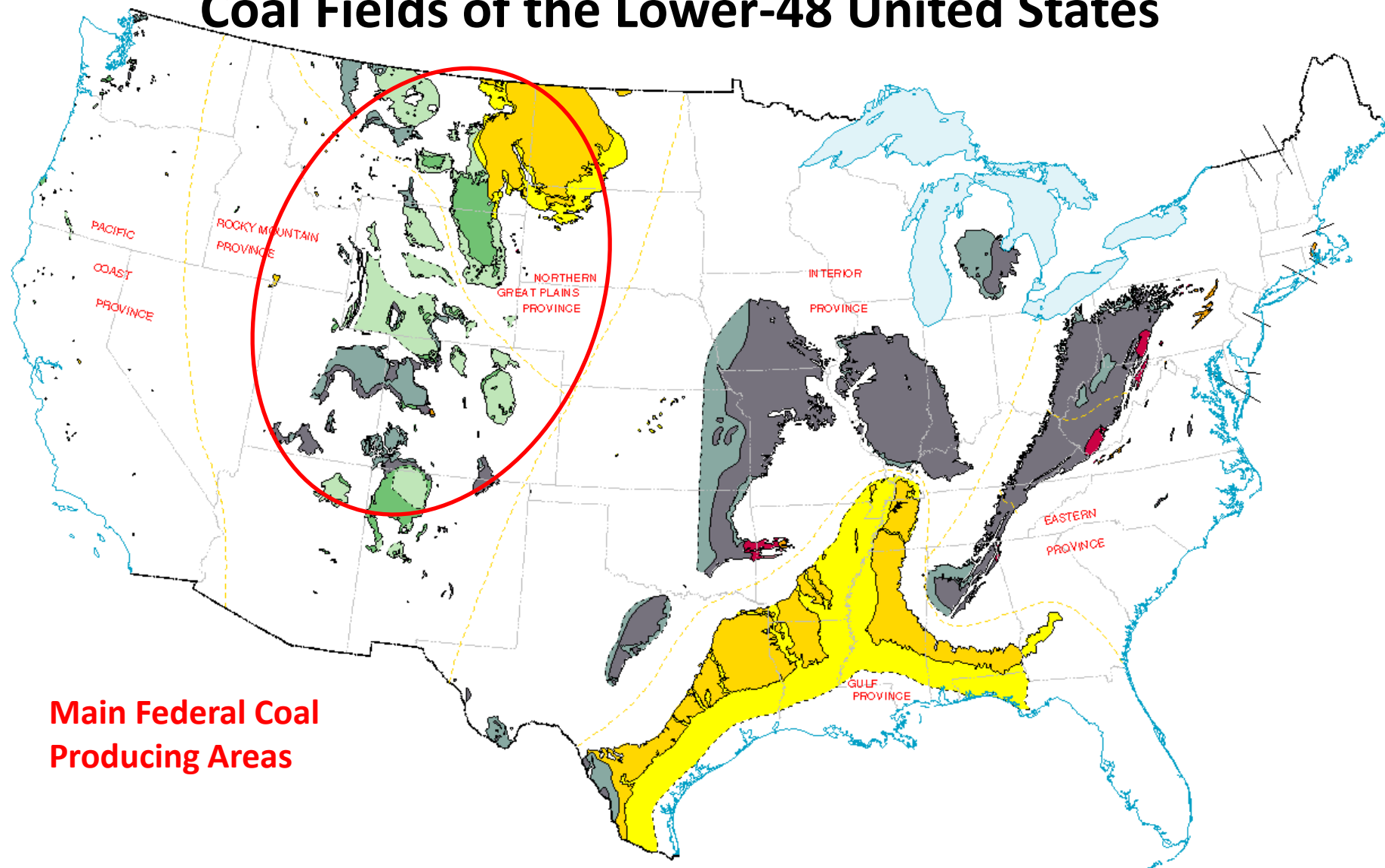
- BLM currently administers **306** coal leases
- **In the last 10 years (2006-2015):**
 - BLM-managed lands produced approximately 4.3 billion tons, worth over \$63.4 billion¹
 - This production generated \$6.8 billion in royalties and \$3.8 billion in rents, bonuses, and other payments¹
 - BLM held 32 coal lease sales
- **In 2015:**
 - 33.2% of Nation's electricity produced from coal²
 - 43.5% of the coal produced was federal coal; 88% of that was from the Powder River Basin in Wyoming and Montana¹

¹ Data from Office of Natural Resources Revenue

² Data from Energy Information Administration



Coal Fields of the Lower-48 United States



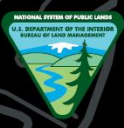
**Main Federal Coal
Producing Areas**



The Programmatic Environmental Impact Statement (PEIS) initiated by Secretarial Order 3338 will consider:

- How, when and where to lease
- Fair return
- Climate impacts
- Other impacts
- Socio-economic considerations
- Exports
- Energy needs
- Other potential modifications



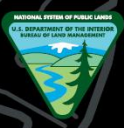


The full set of issues in the PEIS will be decided through scoping; however, some that will be considered are listed in the Notice of Intent, including:

How, when and where to lease

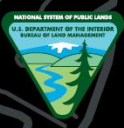
- Should scheduled sales be used (e.g., like onshore oil & gas)?
- Should market conditions affect the timing of lease sales, such that sales would occur when coal values are higher rather than during downturns?
- Where and where not should the BLM lease consistent with taking a landscape level view?
- Do the BLM's unsuitability screening criteria adequately address the questions of where and/or where not to lease?





Fair Return

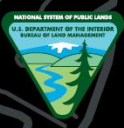
- Are the bonus bids, rents, and royalties received under the Federal coal program successfully securing a fair return to the American public?
- How should each of these components of fair return be calculated?
- Should externalities be considered as part of the fair return calculation? If so, what specifically and how?



Climate Impacts

- How can we best measure and assess the climate impacts of continued Federal coal production, transportation, and combustion?
- What are the potential substitution effects from any changes in Federal coal production?
- How may BLM best ensure no unnecessary and undue degradation of public lands from climate change impacts?
- How do we mitigate, account for, or otherwise address those impacts?
- How does the Federal coal program relate to the Nation's climate objectives, as well as its energy and security needs?

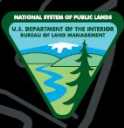




Other Impacts

- What are the effects of Federal coal production on water resources, air quality, wildlife, and other land uses such as grazing and recreation?
- Are impacts from mining and combusting Federal coal adequately mitigated?
- Should standard mitigation at the programmatic level be required, in addition to on a project-by-project basis?

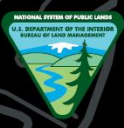




Socio-economic Considerations

- Does the current program adequately account for externalities related to Federal coal production, including environmental and social impacts?
- How does the administration, availability, and pricing of Federal coal affect State, regional, and national economies (including job impacts), and energy markets in general?
- What is the impact of possible program alternatives on the projected fuel mix and cost of electricity?





Exports

- Whether and, if so, how should, leasing decisions consider actual and/or projected exports of domestic coal from any given tract?
- What potential mechanisms could be used to appropriately evaluate export potential?





Energy Needs

- How does Federal coal support fulfilling the energy needs of the United States?
- How does the administration, availability, and pricing of Federal coal impact electricity generation in the United States, particularly in light of other regulatory influences?
- What other sources of energy supply (including efficiency) are projected to be available?



We look forward to your comments on these and other important issues related to the Federal coal program